

AMENDED IN ASSEMBLY APRIL 7, 1999  
AMENDED IN ASSEMBLY MARCH 18, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

## ASSEMBLY BILL

No. 92

Introduced by Assembly Member Floyd

December 10, 1998

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An act to add ~~Section 17076.11 to the Education Code, and to add~~ Sections 73.5, 73.6, and 73.7 to the Military and Veterans Code, relating to veterans.

### LEGISLATIVE COUNSEL'S DIGEST

AB 92, as amended, Floyd. Inspector General for Veterans Affairs.

~~(1) Existing law, the Leroy F. Greene School Facilities Act of 1998, among other things, establishes the 1998 State School Facilities Fund, and continuously appropriates money in the fund for certain purposes related to school facilities construction.~~

~~This bill would require any school district using funds allocated pursuant to the act for the construction or modernization of a school building, to ensure that contracts awarded in each year include at least 3% of the funds for disabled veteran business enterprises.~~

~~(2) Existing~~

*Existing* law provides for veterans programs, including the veterans farm and home purchase programs, and provides for veterans homes.

This bill would create the office of Inspector General for Veterans Affairs, who would be subject to the direction of the California Veterans Board, to replace the administratively created position of Internal Auditor in the Department of Veterans Affairs. The bill would require the inspector general to be appointed by the Governor, subject to Senate confirmation. The inspector general would be responsible for reviewing the operations and financial condition of each California veterans home, each veterans farm and home purchase program, and all other veterans programs supported by the state. The bill would require the inspector general to submit a report and make any recommendations he or she deems necessary for improving the operations of the veterans programs to the board on at least an annual basis and to the Legislature annually.

The bill (1) would authorize the inspector general to receive communications from any individual who believes he or she may have information that warrants a review or investigation of a veterans program ~~or a disabled veteran business enterprise participating in a school facilities contract pursuant to the Leroy F. Greene School Facilities Act of 1998;~~ (2) would authorize, and in some instances require, the inspector general to conduct a review or investigation, (3) would require the establishment of a toll-free telephone number to report alleged wrongdoing regarding veterans programs, and (4) would set forth procedures for discipline by adverse action, as specified, for any state officer or employee who retaliates or engages in similar acts against employees who make such reports in good faith.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 ~~SECTION 1. Section 17076.11 is added to the~~  
2 ~~Education Code, to read:~~  
3 ~~17076.11. Any school district using funds allocated~~  
4 ~~pursuant to this chapter for the construction or~~  
5 ~~modernization of a school building, shall ensure that~~

~~contracts awarded in each year include at least 3 percent of the funds for disabled veteran business enterprises.~~

~~SEC. 2.—~~

*SECTION 1.* Section 73.5 is added to the Military and Veterans Code, to read:

73.5. (a) (1) There is hereby created the office of Inspector General for Veterans Affairs to replace the administratively created position of Internal Auditor within the department.

(2) The inspector general shall be appointed by the Governor, subject to Senate confirmation.

(3) (A) The inspector general shall be subject to the direction of the board.

(B) The inspector general shall provide ongoing and independent advice to the board regarding any issue that is being considered by the board.

(b) The inspector general shall be responsible for all of the following:

(1) Reviewing the operations and financial condition of each California veterans home and veterans farm and home purchase program. For the purposes of reviewing the operations of each veterans home, the Veterans Home Allied Council and home residents shall have unfettered access to the inspector general.

(2) Reviewing the operation and financial condition of all other veterans programs supported by the state including, but not limited to, county veterans service offices and veterans memorials.

(3) Investigating any allegations of department employee misconduct and reporting any findings of misconduct directly to the secretary, for further action that the secretary may deem necessary.

(c) (1) The inspector general shall conduct a review or investigation, as specified in subdivision (b), if requested to do so by the Governor, any member of the board, or the secretary. In addition, the inspector general may conduct a review or investigation, as specified in subdivision (b), as he or she deems necessary or if requested by any Member of the Legislature or any member of the public.

(2) Whenever the inspector general conducts a review or investigation pursuant to a request of any Member of the Legislature, the inspector general shall submit a report of his or her findings to that member.

(d) The inspector general shall submit a report and make any recommendations he or she deems necessary for improving the operations of the veterans programs to the board on at least an annual basis and to the Legislature annually.

~~SEC. 3.—~~

*SEC. 2.* Section 73.6 is added to the Military and Veterans Code, to read:

73.6. (a) The inspector general may receive communications from any individual, including, but not limited to, a participant in a farm and home purchase program, ~~a resident of a California veterans home, or a disabled veteran business enterprise participating in a school facilities contract pursuant to Chapter 12.5 (commencing with Section 17070.10) of Part 10 of the Education Code, who believes he or she may have~~ *program or a resident of a California veterans home, who believes he or she may have* information that warrants a review or investigation of a veterans program ~~or a program utilizing a disabled veteran business enterprise~~ that is supported by the state. The identity of the person providing the information shall be held as confidential by the inspector general and may be disclosed only to the Governor, any member of the board, any Member of the Legislature, or the secretary, as the inspector general deems appropriate and in the furtherance of his or her duties.

(b) In order to properly respond to any allegation, the inspector general shall establish a toll-free public telephone number for the purpose of identifying any alleged wrongdoing regarding veterans programs. This telephone number shall be posted at every California veterans home and throughout all department and county veterans service offices, in clear view of all veterans home residents, employees, and the public. In addition, the telephone number shall be issued to every

1 participant of a home purchase program. When deemed  
2 appropriate by the inspector general, he or she shall  
3 initiate a review or investigation of any alleged  
4 wrongdoing. However, any request to conduct an  
5 investigation shall be in writing. The request shall be  
6 confidential and is not subject to disclosure under the  
7 Public Records Act (Chapter 3.5 (commencing with  
8 Section 6250) of Division 7 of Title 1 of the Government  
9 Code).

10 (c) The identity of the person providing the  
11 information that initiated the review or investigation  
12 shall not be disclosed without that person's written  
13 permission, except to a law enforcement agency in the  
14 furtherance of its duties.

15 ~~SEC. 4.—~~

16 *SEC. 3.* Section 73.7 is added to the Military and  
17 Veterans Code, to read:

18 73.7. (a) Any state officer or employee who  
19 intentionally engages in acts of reprisal, retaliation,  
20 threats, coercion, or similar acts against an employee of  
21 any state department, board, or authority for having  
22 disclosed what the employee, in good faith, believed to be  
23 improper activities regarding veterans programs that are  
24 supported by the state shall be disciplined by adverse  
25 action as provided in Section 19572 of the Government  
26 Code. If no adverse action is instituted by the appointing  
27 power, the State Personnel Board shall take adverse  
28 action in the same manner as provided in Section 19583.5  
29 of the Government Code.

30 (b) In addition to all other penalties provided by law,  
31 any state officer or employee who intentionally engages  
32 in acts of reprisal, retaliation, threats, coercion, or similar  
33 acts against an employee for having disclosed what the  
34 employee, in good faith, believed to be improper  
35 activities regarding veterans programs that are  
36 supported by the state shall be liable in an action for  
37 damages brought against him or her by the injured party.  
38 Punitive damages may be awarded by the court if the acts  
39 of the offending party are proven to be malicious. If  
40 liability has been established, the injured party also shall

1 be entitled to reasonable attorney's fees as provided by  
2 law.

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